

**CITY OF SEQUIM
CITY COUNCIL MINUTES
SEQUIM CIVIC CENTER
152 WEST CEDAR STREET
SEQUIM, WA
September 12, 2016**

Work Session

1. Propane Tank Safety

Mayor Smith introduced Emily Straling is our new student liaison. Emily is a senior at the Sequim High School. She provided information concerning her background. Mayor Smith indicated that Shelli Robb-Kahler from the Chamber is out for 5 weeks. He distributed a card for Councilors to sign.

Hugo indicated this issue came up during the Cascadia Rising event. Ann Hall reviewed the information concerning gas distributors in the area and the locations in the City with larger tanks. Various piping options are available. Garlington stated the City owns 5 large tanks. He explained how the City tanks have been tied down and are secured. Seismic shut off valves cost \$800 each and 2 have been installed. The bigger tanks operate differently. These valves cost \$8,000 each. We will not retrofit those 2 tanks at this time. They are in areas that have less likely sources of ignition, one of them is buried. They do have internal valves. 1 gallon of propane liquid equals 277 gallons of vapor. Hall provided examples of propane tank anchors. Asst. Fire Chief Dan Orr stated that the Washington Code is basic. Moving to flexible piping would be an option from a code perspective. The bigger thing is bollards. He is more concerned about someone backing into one of these tanks. The bollards are 4" in diameter. Tying down the tanks is a recommendation. The earthquake valve is another option. It is his hope to have the code changed to include requirements for bollards, earthquake strapping and shut off valves. The propane companies will strap tanks for people at a cost of \$100-125. The valves are more expensive at approximately \$300. They have inspected Ferrell Gas and they will work together to correct those issues.

Pratt likes flexible housing, anchors and bollards where appropriate. Direct education will be helpful. When the tanks are refilled, they can be strapped on. Ferrell Gas should tie down their rental tanks. Miller would like stats on what has happened with the tanks in the last 20 years. Pratt feels this is in preparation for a major earthquake. Emily Straling added that propane tanks do have a potential threat. She has a friend whose grandparents' house was destroyed because of propane tank issues. There needs to be education regarding the dangers and the steps people can take to make it safer. Going forward the code should reflect that we want tanks tied down when tanks are installed. Lake feels there should be a different level of standard for larger installations. Lake suggested there are FEMA grants available for this purpose.

2. Wells and Water Rights

Garlington stated we are halfway where we need to be with build-out in the City and UGA. We have seen good results in leak detection and conservation. The existing water rights will take us through another 15-20 years. We need to be working to obtain water rights prior to that time. We have several locations where we have water rights. We need to develop new sources of water. In 2017 an analysis of current water rights will be completed. He explained the options available to procure additional water rights. We will continue to encourage conservations measures and possibilities for use of reclaimed water. We are talking with the Department of Ecology about reclaimed water and its uses and in return receive mitigation credits. It is possible. We will also look at desalinization options. Nelson-Gross provided information on the court cases that are creating issues regarding water rights.

3. Main Street Program Update and Recommendation

Barb Hanna stated that participating in a Main Street Program is included in the Downtown Plan. Because we are a City with over 5,000 residents, we would be required to have a full time director running the program. Most programs are supported by the City. These programs are also membership based. The Merchants' Association provides many of the services that would be provided by a Main Street Program. There is \$1.2 million available statewide through a B&O tax credit for businesses. This money is gone in a short time. She looked at what is being accomplished by the current merchants' group and the competition for membership base. With the challenge of having any state tax funding, she doesn't feel it is the right time for us to organize this program. We want to continue to do what we do with the merchants' program. This group is open to all merchants in Sequim, not just the downtown. They are looking at ways to get other businesses involved. She included \$10,000 in the LTAC budget to be used to provide money for Tourism Enhancement Grants. This would help to provide funding to the merchants' group.

MOTION to approve and make support available to the Sequim Merchant's Group events/activities through the Lodging Tax Tourism Enhancement Grant program and not proceed with the development of a Main Street Program as identified in the Downtown Plan at this time by Candace Pratt; seconded by Ted Miller. Carried Unanimously.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Bob Lake, Pam Leonard-Ray, Dennis Smith, Ted Miller, John Miller, Candace Pratt, Genaveve Starr, Emily Straling

CHANGES TO THE AGENDA

T.Miller asked to remove 9f from the consent agenda and consider it following the consent agenda.

CEREMONIAL

4. Introduce Emily Straling, Student Liaison

Ms. Straling was introduced at the beginning of the Work Session.

REPORTS

Committee, Board and Liaison

Starr reported on the Shiso City Association meeting. They have new members. They will be welcoming the Shiso delegation of student ambassadors on September 16. She invited everyone to attend the opening ceremony at 3:00 pm. There will be a Sayonara party on September 27. A group from Sequim High School will go to Shiso City later this year.

T.Miller reported on the economic development summit that was well attended. He identified the strengths that were discussed such as opportunities for more education/state function; bond approval; rental housing; internships; CRTIC; partner with tribes; and weaknesses such as lack of transportation, school infrastructure, more countywide broadband, lack of skilled workforce, were a few. This will be summarized in a document.

J.Miller and Bob Lake attended the AWC budgeting and financial management workshop.

Presiding Officer

Smith reported there are 2 vacancies on the Planning Commission; one County and one City. He attended its meeting where they discussed the wi-fi moratorium. They are working on developing a recommendation to the Council.

Committee, Board and Liaison

United Way Presentation. Paula Barnes introduced Christy Smith and Courtney Buchanan who are co-chairs of this year's fundraising campaign. Christy stated Day of Caring was held in Sequim and more than 30 people attended and put in 114 hours. This year's goal is \$800,000. She provided campaign brochures. Courtney works for Olympic Veterinary Clinic. She has toured the 24 partner agencies.

City Manager

5. Carlsborg Sewer Agreement

Garlington stated that construction is ongoing. The County indicates they are on track with their project. The County had a consultant development this agreement and has determined how much capacity they wanted to buy. They bought 110,000 gallons a day which is 6% of the plant's capacity. He provided information on how the costs were determined for the County. The City received \$1.3 million dollars. This is \$.97 cents per gallon of what we process and will be metered at the City's entrance. The Sunnyside sewer project begins next year and the County will pay 20% of the construction costs because this is being done to accommodate the County's sewer expansion. This will be the same direction we take with the Tribe. He provided information on the restrictions included in the agreement. The reclaimed water that is produced from the County's sewage can be purchased back by the County but they would have to build a transmission station. They will have first right.

6. LEAN Academy Update

Bush reported several staff recently worked on our single family permitting system during a weeklong Kaizen event. Irvin had Public Works and DCD, and the city attorney working on the permitting process. He provided information on the 15 proposals that were developed by the team. Several changes will be implemented to help streamline the process and better provide up-to-date information.

Bush stated next year's budget will move toward the Renton model where you can see the cost of each service provided by the City.

PUBLIC COMMENTS Please limit comments to 3 minutes. Please see "Public Comments" rules attached.

Eloise Kailin, president of Protect the Peninsula Future, stated they are interested in the Tribe's proposal. They have reached an agreement and withdrawn their appeals of the Tribe's actions. They will seek cooperation with Sequim and she is delighted that this is progressing, and happy to hear we will find a use for reclaimed water. Nelson-Gross cautioned that there is no public hearing on this issue.

Thomas Booth, 4526 Pleasant Glade NE, Olympia, is one of the owners of the dairy farm along North Sequim Avenue. Letters have been sent to the Council and it is apparent there is not total support for the new regulations. It seems the realtors and builders have been ignored. He thinks the City would be better served if there is more variety. This is the time to make changes to allow cul de sac, more affordable housing, PUDs. The Council doesn't have to approve zoning regulations tonight.

Ron Gilles stated the Council needs to look at the fact that you're representing the public and take a careful look at the zoning regulations as put forward. Comments have been provided that builders and realtors were not heard. He asks to rethink voting on

the zoning and what it will do. Get the amendment process to find out what will be necessary to make a change. Seek outside legal counsel. You might want to get an outside opinion.

INFORMATION/COUNCIL QUESTIONS INVITED

7. Healthy Families 1st Quarter Report
8. Healthy Families 2nd Quarter Report

Pratt stated the number of patients helped during 2nd quarter was half of the first quarter, a huge discrepancy. She suggests those dark days of winter are stressful.

PUBLIC HEARINGS None

CONSENT AGENDA

9. Approve/Acknowledge
 - a. City Council Meeting Minutes - August 8, 2016
 - b. Claim Voucher Recap Dated 9/12/16 Total Payments \$1,095,018.41
 - c. Appointment to Vacancy on Park & Recreation Board
 - d. Elk Window Donation and inclusion in RFP
 - e. City Council Meeting Minutes - September 6, 2016
 - f. **A/E Consultant Agreement Supplement No. 1**

Klontz stated this is in the CIP and has been in the plan for some time. There is a single 10 hp pump at this location. There is not redundancy and it lacks a backup generator. Improvements install two 15 hp pumps with room for a third pump; install backup generator, install variable frequency drives; provide a building for instrumentation and electrical equipment; provide compatibility for future SCADA system. This will solve DOH issues, provide reliability and capacity, increased efficiency, instrumentation will be in a building and protected, allows increased operational flexibility at the Port Williams wellfield. He provided a timeline showing that construction will begin in the second quarter 2017. There is need for additional engineering because the additional scope did not originally envisioned it. There are extra permitting requirements and we asked the consultant to perform some work that was not originally in the agreement.

MOTION to approve 9f A/E Consultant Agreement Supplement No. 1 by Ted Miller; seconded by Pam Leonard-Ray. Carried Unanimously.

MOTION by Pratt to approve items 9a-e on the consent agenda; second by Miller. Carried Unanimously.

UNFINISHED BUSINESS

10. Ordinance No. 2016-07 Approving Zoning Code Revisions

Bush stated this is an item Council considered in August and asked for it to come back. Hugo said this is an attempt to reconcile the Comp Plan with the zoning regulations. He provided background information on the process that was completed over the past 4 years. The range of affordable housing is increased in the Comprehensive Plan. There was discussion about what is allowed in which zones. Condominiums are still allowed in some zones and districts. There was discussion about rezones and Comp Plan amendments.

MOTION that the City Council reconsider the vote by which Ordinance 2016-07 was defeated on the 8th of August made by T. Miller; second by Starr. Carried Unanimously.

T. Miller passed out a proposal to direct staff to prepare a resolution to consider this and any other issues as an update to the Comprehensive Plan

Leonard-Ray will vote yes but is concerned about the lack of affordable housing in Sequim. By limiting the properties eligible for affordable housing we are hurting the homeless. She hopes we will deal with this in early 2017. Starr stated we need to look at duplex housing and tiny housing neighborhoods in the future. Pratt feels these items are good to be put in a parking lot.

MOTION to approve Ordinance 2016-07 relating to amendments to SMC 18.16.050, 18.20.010, 18.20.020, Table 18.4.060(C) and 18.59.020 and deleting section 18.44.060 to implement policy directions of the Comprehensive Plan for Single Family Residential uses as well as revisions to the Official Zoning Map for consistency with the Comprehensive Plan's Future Land Use Map, as recommended by the City Planning Commission by Genaveve Starr; seconded by Candace Pratt. Carried Unanimously.

Mayor Smith read the proposed issues submitted by T. Miller (attached as Attachment 1) for the 2017 Comprehensive Plan Update.

NEW BUSINESS

11. Approve Farmers' Market Contract

Irvin stated this contract provides for the Sequim Farmers' Market use of the Civic Center Plaza during the market's season, as well as the use of Centennial Place, a portion of Cedar Street, and Guy Cole during approved hours. #4 on page 3, second paragraph, the last sentence should say until days and times have been approved and advanced by the City. Lisa Bridge, Farmers' Market Manager, explained how someone could become a member of the Sequim Farmers' Market.

MOTION to approve and authorize the City Manager to sign the license agreement with Sequim Farmers' Market by Ted Miller; seconded by Pam Leonard-Ray. Carried Unanimously.

12. Ordinance No. 2016-11 Amending SMC 5.28 "For-Hire Vehicles"

Nelson-Gross stated that a new taxi service is interested in being licensed in the City. Our current ordinance requires a public hearing with the City Council and the business. We are looking at streamlining the process to provide a for hire license through the state's program currently in use by the City. The proposed ordinance also provides for civil infractions. Lake would like the City to ensure that the taxi company has insurance. We want reasonable driving criteria and that a criminal background check is completed. There was consensus to address the issues discussed.

MOTION to approve holding a public hearing on September 26, 2016 with the intent to adopt Ordinance No. 2016-11 amending SMC 5.28 "for hire vehicles" by Ted Miller; seconded by Genaveve Starr. Carried Unanimously.

GOOD OF THE ORDER

T. Miller stated we have less than a year to prepare for a total eclipse. Starr will be attending DOT conference starting on Sunday.

PUBLIC COMMENTS (Please limit comments to 3 minutes each)

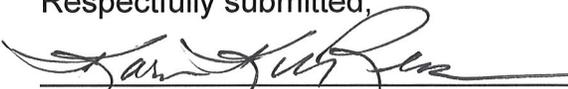
EXECUTIVE SESSION

**Mayor Smith announced the next meeting dates of September 26, 2016 (5:00 p.m.)
October 10, 2016 (5:00 p.m.)**

ADJOURNMENT

The meeting adjourned at 8:15 p.m.

Respectfully submitted,


Karen Kuznek-Reese, MMC
City Clerk


Dennis Smith
Mayor

Minutes approved at a regular Council meeting held on September 26, 2016.

*** DRAFT RESOLUTION ***

[Assumes City Council approves FLUM & Current rezoning proposal]

The City Council, because of the controversy regarding certain provisions of the 2016 Comprehensive Plan, do hereby agree to reconsider certain aspects of the Plan in an update for 2017 or later. In particular, the City Council will reconsider:

1. Increasing the amount of commercially zoned property on the FLUM. In particular, property located along major arterials (especially at intersections) should not be single family detached.
2. Delete the adjective "detached" when associated with single family in R4-8 districts. Zero lot line attached or duplexes, common in Sequim, should be permitted because of their greater affordability.
3. Revisit the desirability of maintaining the grid structure when away from the downtown and commercial areas. We may want to change from mandate to preference. Consumer preference and security/safety issues may require greater consideration.
4. Revisit the mandate for garages in the rear. This is certainly aesthetically preferable, but there may be countervailing considerations.
5. Other issues (TBD).

The plan is for a joint DCD/citizen/stakeholder committee to evaluate controversial topics, hold a public hearing, refer the matter to the Planning Commission for recommendation, and then to the City Council for consideration.